

1. Should a locality requesting the SCC's consideration of an underground transmission line alternative be required to participate as a formal party to the proceeding in which it proposes such an alternative, i.e., should it be required to be a Respondent pursuant to Rule 80 of the Commission's Rules (5 VAC-20-80)? Explain.

Yes. In order to make proposals in a proceeding, the locality should seek party status and, thus, would have the same rights and be subject to the same obligations as other parties.

2. Should any locality requesting the SCC's consideration of an underground transmission line alternative be obligated to develop and submit to the SCC a proposal detailing that alternative, providing evidentiary support for that proposal, and having the burden of proof therefore? If not, why not.

Delmarva would suggest that the crux of this issue goes more to the weight of evidence rather than whether or not a party is obligated to present a particular type of case. While Delmarva does not believe that a locality would be "obligated" to develop and present evidence in support of an undergrounding proposal, the failure of a locality to submit such record evidence in support of any such proposal would mean that the proposal could be given very little or no weight. The lack of substantial record evidence would preclude an order requiring undergrounding. The proponent of an undergrounding alternative should have the burden of proof in supporting that alternative.

Delmarva would respectfully request that the Commission provide guidance to potential parties and to the Commission's Examiners that because little or no weight would be given to a proposal that is not detailed and supported by record evidence, little or no evidence in opposition to such a proposal is necessary to defeat it. In this regard, Delmarva would note the prejudicial effects if a utility were required to respond in detail to proposals that are not themselves detailed and defined. From this perspective, in order to make undergrounding an issue that warrants detailed review by the Commission, the proponent of undergrounding, including a locality, should submit (at its own cost) detailed proposals for consideration. If the utility will ultimately be responsible for engineering, construction and maintenance of the facilities, then it must have the opportunity and authority to demonstrate the feasibility (or lack thereof) of a locality's proposal and to develop the final plan.

3. Should a locality requesting the SCC's consideration of an underground transmission line alternative be obligated to propose such an alternative not later than a date corresponding to a specific procedural milestone established in the docket's scheduling order? If so, which procedural milestone? If not, why not?

Yes, a proposed alternative should be required to be submitted by a specific date established in the procedural schedule. In general, an early date for any such proposal should be required. At the latest, such alternatives would need to be

submitted at the time that parties are required to submit testimony in response to the utility's proposal.

4. Should the applicant utility, itself, have the obligation to develop an underground transmission line alternative if such an alternative's consideration by the SCC is requested by a locality? If so, what should be the locality's role in that alternative's development, if any? Additionally, should the cost of such an alternative's development be born entirely by the applicant utility? If not, why not.

Utilities should not be obligated to develop underground transmission line alternatives unless the incremental cost to develop such a plan and cost to construct and maintain the facilities is agreed to be paid entirely by the locality that requested the undergrounding. If utilities are permitted to provide safe and reliable electric service with overhead conductors, undergrounding the facilities could be requested by a locality for aesthetic reasons and would not necessarily result in enhanced reliability. Undergrounding electric facilities imposes extraordinary additional cost that should be borne entirely by the locality making the request.

5. Are there any additional procedural or evidentiary issues that the Commission should consider as part of this study? If so, please elaborate.

Delmarva has no additional comments at this time beyond those expressed above.

To assist the Commission, the Staff requests that persons and entities having an interest in this study, submit detailed responses to the preceding questions.